

Chapter 26

Wages A Preferred Debt

34-26-1 Extent and condition of preference.

If any property of any person is seized through any process of any court, or when his business is suspended by the act of creditors or is put into the hands of a receiver, assignee, or trustee, either by voluntary or involuntary action, the amount owing to workmen, clerks, traveling or city salesmen, or servants, for work or labor performed within five months next preceding the seizure or transfer of the property shall be considered and treated as preferred debts, and the workmen, clerks, traveling and city salesmen, and servants shall be preferred creditors, the first to be paid in full. If there are not sufficient proceeds to pay them in full, then the proceeds shall be paid to them pro rata, after paying costs. No officer, director, or general manager of a corporation employer or any member of an association employer or partner of a partnership employer is entitled to this preference.

Amended by Chapter 206, 1987 General Session

34-26-2 Claim -- Notice.

Any such employee, laborer or servant desiring to enforce his claim for wages under this chapter shall present a statement under oath to the officer, person or court charged with such property within 10 days after the seizure of it on any process, or within 30 days after the same may have been placed in the hands of any receiver, assignee or trustee, showing the amount due after allowing all just credits and setoffs, the kind of work for which such wages are due and when performed. Any person with whom any such claim shall have been filed shall give immediate notice thereof by mail to all persons interested, and, if the claim is not contested as provided in Section 34-26-3, it shall be the duty of the person or the court receiving such statement to pay the amount of such claim or claims to the person or persons entitled thereto, after first paying all costs occasioned by the seizure of such property, out of the proceeds of the sale of the property seized.

Enacted by Chapter 85, 1969 General Session

34-26-3 Claim -- Exceptions -- Contest.

Any person interested may within 10 days after the notice of presentment of said statement contest such claims, or any part of them, by filing exceptions to them supported by affidavit with the officer or court having the custody of such property, and thereupon the claimant shall be required to reduce his claim to judgment in some court having jurisdiction before any part thereof shall be paid. The person contesting shall be made a party defendant in any such action and shall have the right to contest such claim, and the prevailing party shall recover proper costs.

Enacted by Chapter 85, 1969 General Session

34-26-4 "Wages" defined.

Whenever used in this chapter, "wages" shall mean all amounts due the employee for labor or services, whether the amount is fixed or ascertained on a time, task, piece, commission basis or other method of calculating such amount.

Enacted by Chapter 85, 1969 General Session

